IN THE UNITED STATES PATENT AND TRADEMARK OFFICE

Art Unit	: 3624	**Customer No. 035811**
Examiner	: James M. Alpert	
Serial No.	: 09/970,600	Docket No.: 1480-R-00
Filed	: October 4, 2001	
Inventor(s)	: William H. Wisecarver, III.	
	: Mary F. Nugent	Confirmation No.: 1951
Title	: SYSTEM AND METHOD FOR	
	: ON-LINE PAYMENT TRANSACTIONS	

SUPPLEMENTAL DECLARATION OF PRIOR INVENTION UNDER 37 CFR 1.131

Mail Stop Amendment
Commissioner for Patents
P.O. Box 1450
Alexandria, VA 22313-1450

Dear Sir:

We, WILLIAM H. WISECARVER, III and MARY F. NUGENT, being duly sworn, depose and state:

1. This Declaration, together with Exhibits B-E, is a supplement to our Declaration of Prior Invention under 37 C.F.R. §1.131 filed on June 22, 2006, the terms of which are hereby incorporated by reference.

2. We are the Applicants of the above-identified patent application, and the inventors of the subject matter described and claimed therein (the "Subject matter"). The Subject Matter of at least the independent claims of the above-identified Patent Application had been conceived prior to March 7, 2000 and we exercised due diligence from the date of conception until October 13, 2000, which was the date of constructive reduction to practice by the filing of US Provisional Patent Application No. 60/241,558.

3. During the period extending from March 7, 2000 until October 13, 2000, we were seeking funding in order to have an actual reduction to practice of our invention by the development of a physical system, as is described in more detail below.

4. From before Mar. 7, 2000 to April 2000, we were engaged in market research in order to prepare a business proposal for presenting to potential investors. A summary of Market Capital Projections resulting from our market research is attached hereto as Exhibit B. The summary shows projected growth projections for online payment by customers, for ecommerce transactions, and for projected revenues obtainable by our invention.

5. During the period of April 2000 to June 2000, we worked on preparing an investment information packet for presenting to potential investors in order to raise capital to actually

reduce our invention to practice. A copy of the investment information packet, entitled "SafetyCash Online Payment Alternative", is attached hereto as Exhibit C. It is important to note that on pg. 6 of Exhibit C, first paragraph, the investment packet details the hardware, software, and human resource requirements necessary in order to reduce our invention to practice by development of an actual system that operates according to the Subject Matter of our invention, and an estimate of the costs associated therewith. It is also important to note that we worked on updating our previous financial projections, as evidenced by the difference between the financial figures in this document and the figures in our initial financial projections (see Exhibit B). This investment financial packet was completed on June 21, 2000.

6. During the entirety of March 6, 2000-October 13, 2000, we solicited numerous potential investors. We were successful in setting up meetings with potential investors that included: 1) CSG in June, 2000; 2) Net2000 Communications in July, 2000; and 3) MBNA America Bank, N.A. in August, 2000. A copy of an email exchange with an account manager from Net2000 Communications dated July 22, 2000 is attached hereto as Exhibit E.

7. After our August, 2000 meeting with MBNA, we prepared, for follow up meetings with the potential investors, a Confidentiality and Non-Disclosure Agreement ("NDA"), attached hereto as Exhibit D. A draft of this NDA was completed on September 28, 2000, and later finalized in October, 2000.

8. On September 29, 2000, we sought to consult a patent attorney due to concern that any one of the potential investors may appropriate our invention. The invention was discussed and the patent attorney confirmed that patent protection is available for our invention, and proposed the filing of a provisional patent application.

9. During the time period of September 29-October 10, 2000, a write-up of the invention was prepared in order to proceed with a provisional patent application and also discussed with patent counsel were the options as to assignment of the invention to a company called Sacon Capital.

10. A written description of our invention was finalized and submitted to patent counsel on October 10, 2000 for preparing a Provisional Application.

11. On October 11, 2000, patent counsel completed a draft of a Provisional Application embodying our invention, which was forwarded to us for review.

12. Between October 11-13, 2000, we reviewed the draft Provisional Application and submitted comments/changes to patent counsel. Patent counsel finalized the Provisional Application and filed the same on October 13, 2000.

We hereby declare that all statements made herein of my own knowledge are true and that all statements made on information and belief are believed to be true; and further that these statements were made with the knowledge that willful false statements and the like so made are punishable by fine or imprisonment, or both, under Section 1001 of Title 18 of the United States Code and that such willful false statements may jeopardize the validity of the application or any patent issued thereon.

William H. Wisecarver III — 24 Mar 07
William H. Wisecarver, III. — Date

Mary F. Nugent — March 24, 2007
Date

EXHIBIT B

MARKET CAPTURE PROJECTIONS							
		2000	2001	2002	2003	2004	2005
Growth projections for online payment by consumers	12%	$31,500,000,000	$35,280,000,000	$39,513,600,000	$44,255,232,000	$49,565,859,840	$55,513,763,021
Growth projections for ecommerce transactions							
less financial transactions (brokerages, wire transfers,fed fun	8%	$36,000,000,000	$38,880,000,000	$41,990,400,000	$45,349,632,000	$48,977,602,560	$52,895,810,765
VALUE OF ONLINE TRANSACTIONS		$67,500,000,000	$74,160,000,000	$81,504,000,000	$89,604,864,000	$98,543,462,400	$108,409,573,786
VALUE TO SAFETYCASH AT MARKET CAPTURE PERCENTAGE							
	PERCENTAGE						
	2%	$1,350,000,000	$1,483,200,000	$1,630,080,000	$1,792,097,280	$1,970,869,248	$2,168,191,476
GROSS REVENUE		$27,000,000	$29,664,000	$32,601,600	$35,841,946	$39,417,385	$43,363,830
NET REVENUE (25%)		$6,750,000	$7,416,000	$8,150,400	$8,960,486	$9,854,346	$10,840,957
	3%	$2,025,000,000	$2,224,800,000	$2,445,120,000	$2,688,145,920	$2,956,303,872	$3,252,287,214
GROSS REVENUE		$40,500,000	$44,496,000	$48,902,400	$53,762,918	$59,126,077	$65,045,744
NET REVENUE (25%)		$10,125,000	$11,124,000	$12,225,600	$13,440,730	$14,781,519	$16,261,436
	5%	$3,375,000,000	$3,708,000,000	$4,075,200,000	$4,480,243,200	$4,927,173,120	$5,420,478,689
GROSS REVENUE		$67,500,000	$74,160,000	$81,504,000	$89,604,864	$98,543,462	$108,409,574
NET REVENUE (25%)		$16,875,000	$18,540,000	$20,376,000	$22,401,216	$24,635,866	$27,102,393
	6%	$4,050,000,000	$4,449,600,000	$4,890,240,000	$5,376,291,840	$5,912,607,744	$6,504,574,427
GROSS REVENUE		$81,000,000	$88,992,000	$97,804,800	$107,525,837	$118,252,155	$130,091,489
NET REVENUE (25%)		$20,250,000	$22,248,000	$24,451,200	$26,881,459	$29,563,039	$32,522,872
	8%	$5,400,000,000	$5,932,800,000	$6,520,320,000	$7,168,389,120	$7,883,476,992	$8,672,765,903
GROSS REVENUE		$108,000,000	$118,656,000	$130,406,400	$143,367,782	$157,669,540	$173,455,318
NET REVENUE (25%)		$27,000,000	$29,664,000	$32,601,600	$35,841,946	$39,417,385	$43,363,830
VALUE TO PARENT COMPANY AT MARKET PERCENTAGE							
CREDIT CARD LOAN FACTOR (@ 12% FOR 90 DAYS)	2%	$40,500,000	$44,496,000	$48,902,400	$53,762,918	$59,126,077	$65,045,744
	3%	$60,750,000	$66,744,000	$73,353,600	$80,644,378	$88,689,116	$97,568,616
	5%	$101,250,000	$111,240,000	$122,256,000	$134,407,296	$147,815,194	$162,614,361
	6%	$121,500,000	$133,488,000	$146,707,200	$161,288,755	$177,378,232	$195,137,233
	8%	$162,000,000	$177,984,000	$195,609,600	$215,051,674	$236,504,310	$260,182,977
LOAN SECURITIZATION VALUE (ESTIMATED AT 5%)	2%	$67,500,000	$74,160,000	$81,504,000	$89,604,864	$98,543,462	$108,409,574
	3%	$101,250,000	$111,240,000	$122,256,000	$134,407,296	$147,815,194	$162,614,361
	5%	$168,750,000	$185,400,000	$203,760,000	$224,012,160	$246,358,656	$271,023,934
	6%	$202,500,000	$222,480,000	$244,512,000	$268,814,592	$295,630,387	$325,228,721
	8%	$270,000,000	$296,640,000	$326,016,000	$358,419,456	$394,173,850	$433,638,295

EXHIBIT C

TechBank

THE FOLLOWING EXECUTIVE SUMMARY AND INFORMATION CONTAINED WITHIN IS CONFIDENTIAL AND PROPRIETARY TO TECHBANK AND IS BEING PROVIDED IN CONFIDENCE TO THE PERSON, GROUP AND/OR COMPANY FOR THE SOLE PURPOSE OF INVESTIGATING THE DESIRABILITY OF ESTABLISHING A PARTNERSHIP WITH TECHBANK. THIS INFORMATION MAY NOT BE REPRODUCED NOR DISCLOSED TO ANOTHER PARTY WITHOUT WRITTEN AUTHORIZATION OF TECHBANK.

SafetyCash™ Online Payment Alternative

EXECUTIVE SUMMARY

MARKET PLACE

The current dominance of credit cards for online payments will not continue indefinitely. Under served consumers and merchants are seeking cost savings, anonymity and risk aversion, all of which will drive adoption of alternative payments devices by 2003. According to Jupiter Strategic Planning Services (Jupiter), credit card ownership of the dollar value of transaction will drop from its current 95% to 81% percent by 2003. Using 1999's total online transactions of approximately $31.5 billion, and calculating no growth, alternative forms of online payments are expected to be in the annual range of $4.3 billion by 2003.

TechBank, a technology innovator and developer has two proprietary technologies and has structured a business process that will allow for capture of this growing market. TechBank has recently acquired and developed two financial service applications that can have a broad range of uses in the Internet economy. The service, called ***SafetyCash*** and **Disposable Anonymous Credit Cards *(DACC)*,** has a plethora of uses in e-commerce transactions[1].

Potential follow-on benefits include establishment of an electronic banking operation at minimum infrastructure cost while utilizing off balance sheet investing. Once operational, the partnership could be fully acquired by the Partner, or spun-out as a separate entity for potentially high returns in an acquisition or IPO exit strategy.

The issue is not "if " alternative forms of online payments will be available, but rather "who" will introduce them and how will they be profitably managed.

MARKET OPPORTUNITY

Credit cards will remain the dominant form of purchasing on the Internet, however, cash substitutes will emerge for two reasons: (1) consumers want to use other means of payment and; (2) merchants will seek more cost effective means of receiving payment.

> ***Market Opportunity I:*** How will credit card companies introduce and grow these alternative payment methods cost effectively and while minimizing the diversion of focus away from their main business.
>
> ***Market Opportunity II:*** Merchants are seeking to adopt alternative payment methods to reduce costs. Currently merchants must pay an application fee, software fees, a monthly statement fee and a per transaction fee with a discount rate of 2.5% to 3%. For many merchants, especially in the low dollar per transaction sale, this amounts to an exceedingly high cost. Merchants, especially ecommerce companies, will quickly embrace anything that lowers these costs.

[1] The names ***Safety Cash*** and ***Disposal Anonymous Credit Card (DACC)*** are presently being researched for trademark rights. The names may change as a result of this search or as market branding strategies dictate.

Market Opportunity III: According to Jupiter, consumers are still uncomfortable with online payment system for three major reasons: (i) the desire to have the advantage of a cash transaction in a "trail-less" payment; (ii) the fear of capture and subsequent fraudulent exploitation of their credit card number, and; (iii) the desire to have their e-mail free of the proliferating spammers and marketing advertisements.

In May of 1999, a Jupiter Consumer Survey indicated that higher levels of security and anonymity would make consumers more comfortable conducting transactions online. Of respondents to the survey, 54% said that protection from fraud would make them more comfortable buying online, and 18% said that anonymity would make them more comfortable buying online.

THE TECHBANK SOLUTION

TechBank proposes the establishment of a strategic partnership, where by the TechBank technology and management team establishes and manages a subsidiary company for the partner. The new Company will create a new ***on-line payment alternative*** at lower cost to the merchant and that allows consumers to make purchases in a secure environment for their credit cards.

Proposed Deal Structure. TechBank proposes the following outline for the establishment, market launch, operations and exit, to take advantage of the opportunity presented:

I. New Company Start-up (120 Days):

Establishment: The Partner and TechBank form a C Corporation (New Company), in which the Partner shall be a majority owner. TechBank shall infuse its proprietary technology, technical expertise, and business operations management. The Partner shall supply initial funding, and ecommerce service expertise.

The New Company shall be headquartered in the Washington, DC Metropolitan area where it can take advantage of the mature telecommunications infrastructure, large population of Internet users, and high concentration of potential customers (Government and military personnel payroll).

Market Launch: The marketing program is to be initiated on all media venues (print, broadcast, electronic, out-door). Initial target market to be technology consumers, small businesses (start-ups), and Government and military personnel.

Operations: New Company provides ***SafetyCash*** system for holders of the member Bank(s) credit cards. Additionally, for those who open a savings account at member Bank(s) with automatic paycheck deposit, New Company provides electronic bill paying service at no cost to consumer.

The New Company shall derive revenues from a 2% of transaction fee from merchants who have goods and services purchased by online purchaser using the ***SafetyCash*** System. ***SafetyCash*** will use established credit card payment and transactional channels. No new technology will be necessary at the merchant end and merchant will pay no additional fees for use of ***SafetyCash*** (lowering cost of online transactions for merchant and allowing for low-end dollar purchases profit margin).

All proceeds from credit card interest revenue, loan securitization programs, and revenue derived from saving deposits shall remain with the member Bank(s).

Internal cashflow of New Company will be utilized to introduce and commence operation of the ***DACC***, with member Bank(s). Timeline for introduction of ***DACC***: Third Quarter of 2001.

II. Potential Exit Strategy: New Company will be set for spinout and IPO within eighteen (18) months of commencing operations, economic conditions allowing. The Partner can cash-out, acquire in the whole, or sell.

III. Potential Follow-on Opportunity: New Company can develop into an electronic financial services company.

Interested parties may contact TechBank for a complete business plan, with accompanying financial projections and technology review at 703.841.9455 or www.techbank.net.

TechBank

Online Payment Alternative

EXECUTIVE SUMMARY

The current dominance of credit cards for online payments will not continue indefinitely. Under served consumers and merchants are seeking cost savings, anonymity and risk aversion, all of which will drive adoption of alternative payments devices by 2003. According to Jupiter Strategic Planning Services (Jupiter), credit card ownership of the dollar value of transaction will drop from its current 95% to 81% percent by 2003. Using 1999's total online transactions of approximately $31.5 billion, and calculating no growth, alternative forms of online payments are expected to be in the range of $4.3 billion by 2003.

TechBank, a technology innovator and developer has two proprietary technologies and has structured a business process that will allow for capture of this growing market. TechBank has recently acquired development rights for two financial service applications that can have a broad range of uses in the Internet economy. The service, called ***SafetyCash*** and **Disposable Anonymous Credit Cards *(DACC)*,** has a plethora of uses in e-commerce transactions[1].

TechBank proposes a partnership for the establishment and operation of the ***SafetyCash*** service and the distribution and sale of the DACC. This partnership would allow for the lead Bank to be the leader in alternative online payment methods while receiving an estimated $200 million in credit card receipts in the first full year of operations (see financial projections). Additionally the service would be another inducement for consumers to open a money market deposit account with the bank.

Potential follow-on benefits include establishment of an electronic banking operation at minimum infrastructure cost while utilizing off balance sheet investing. Once operational, the partnership could be fully acquired by the Bank, or spun-out as a separate entity for potentially high returns.

MARKET OPPORTUNITY

Credit cards will remain the dominant form of purchasing on the Internet, however, cash substitutes will emerge for two reasons: (1) consumers will want to use other means of payment and; (2) merchants will seek more cost effective means of receiving payment.

Opportunity I:

The finding by Jupiter and other research firms is credit cards companies will continue to prosper, as the online commerce market will grow so quickly that they can count on steady growth in the number and in the dollar value of those transactions. Additionally credit card firms are in the best possible position to fully exploit the new method of online payments alternatives in the near future.

The Issue: How will credit card companies introduce and grow these alternative payment methods cost effectively and while minimizing the diversion of focus away from their main business.

[1] The names *Safety Cash* and *Disposal Anonymous Credit Card (DACC)* are presently being researched for trademark rights. The names may change as a result of this search or as market branding strategies dictate.

Opportunity II
Merchants are seeking to adopt alternative payment methods to reduce costs. Currently merchants must pay an application fee (up to $250), software fees ($300-$800), a monthly statement fee ($12.50) and a per transaction fee ($0.35) with a discount rate of 2% to 3%. For many merchants, especially in the low dollar per transaction sale, this amounts to an exceedingly high cost. Merchants, especially ecommerce companies, will quickly embrace anything that lowers these costs.

For consumers there are several value-added inducements to use alternative forms of online payments. The first is anonymity. This facet comes in several forms:

(1) the desire to have the advantage of a cash transaction in a "trail-less" payment;

(2) the fear of capture and subsequent fraudulent exploitation of their credit card number, and;

(3) the desire to have their e-mail free of the proliferating spammers and marketing advertisements.

In May of 1999, a Jupiter Consumer Survey indicated that higher levels of security and anonymity would make consumers more comfortable conducting transactions online. Of respondents to the survey, 54% said that protection from fraud would make them more comfortable buying online, and 18% said that anonymity would make them more comfortable buying online.

The Issue: The issue is not "if " alternative forms of online payments will be available, but rather "who" will introduce them and how will they be profitably managed.

THE TECHBANK SOLUTION

TechBank proposes the establishment of a strategic partnership with a Bank, where by the TechBank technology and management team establishes and manages a subsidiary company for the Bank. The new Company will create a new ***on-line payment alternative*** at lower cost to the merchant and that allows consumers to make purchases in a secure environment for their credit cards. Additionally the company will increase the Bank's distribution of its credit cards, open new accounts for deposits and have an IPO or acquisition potential as an off balance sheet investment.

Business Opportunity
TechBank has recently acquired development rights for a financial service technology application that has a broad range of uses in the Internet economy. The service, called ***SafetyCash*** and ***Disposable Anonymous Credit Cards*** *(DACC),* has a plethora of uses in e-commerce transactions.

TechBank proposes a partnership for the distribution and sale of the disposa-card service whereby:

- TechBank markets and operates the ***SafetyCash*** and ***DACC*** service products with a Bank as the lead Bank;

- TechBank offers to customers a Bank credit card with the service, and for those who open an account at the Bank through TechBank, an electronic bill paying service;

- ***SafetyCash*** users are billed through the Bank's credit cards.

After initial investment, expansion is funded internally with other products and services coming on-line as opportunities and the economic environment dictates. The Bank will be the majority owner of the business and as the ***SafetyCash*** service and ***DACC*** sales grow, the business will have matured into the capability to operate as full service Internet Bank.

Two different exit strategies would then be feasible. The Bank could cash-out the minority partner, or through a private placement or a buyout could be made to lower the Bank's equity position to the regulatory 5% holding limit. The stand-alone company is then in a position for an IPO or acquisition to be accomplished at the discretion of its Board of Directors and favorable economic conditions.

TECHBANK TECHNOLOGY APPLICATION

SafetyCash Online Payment

The ***SafetyCash*** system provides a secure online payment alternative for all e-commerce transactions. Payments by consumers to vendors will be accomplished through ***SafetyCash*** with the use of an on-line "Stored Value Lock-Box" (SVLB). Consumers will "fill" their SVLB by phone, mail or the Internet. ***SafetyCash*** then electronically contacts the credit card Bank and receives authorization for the credit amount. Maximum amounts for the accounts will be established at its opening. With their account filled, they are ready to make purchases on-line.

When the consumer orders on-line from the merchant, they input their SVLB number in lieu of a credit card number, and the merchant electronically contacts the ***SafetyCash*** website (as it would for a regular credit card number). ***SafetyCash*** then approves the transaction, and sends the amount to the merchant. At the same time, ***SafetyCash*** sends the transaction amount to the credit card Bank who then bills the cardholder on their respective card.

Disposable Anonymous Credit Card

Disposable Anonymous Credit Cards (DACC) are a cross between a conventional credit card and a prepaid phone card. To use a prepaid phone card, a customer walks into a convenience store and buys a card for a set amount, then uses that card until the allotted number of minutes is reached. Nowhere is the user's name or other information involved in the process. The credit card, however, is a nearly ubiquitous form of payment. Virtually everyone (and absolutely every e-commerce site) accepts Visa/Mastercard. The ***DACC*** combines the anonymity of the prepaid phone card and the buying utility of the bank credit card.

One simply buys a ***DACC*** of a finite value (denominations to be determined but in the range of $20 to $200). The ***DACC*** is "charged" with only that amount of money and has no name associated with it. One then can use the ***DACC*** just like any other card. If the ***DACC*** number is stolen, then all one stands to lose is the value of the ***DACC***, instead of the whole of one's credit limit. The ***DACC*** is not a "smart card." The magnetic strip simply contains an account number. The charging takes place at the issuing Bank for the merchant's fraction of the pre-paid amount. It does not contain the name or any additional information associated with the holder. No technology infusion or hardware or software is involved.

DACC's could become the ubiquitous mode of e-commerce. ***DACC's*** could be sold anywhere phone cards are sold. They could be vested with fixed credit contents, or could be made programmable. The key is that the DACC limits the financial exposure of any online transaction and provides the anonymity of a cash transaction.

PROPOSED DEAL STRUCTURE

TechBank proposes the following as an outline for the establishment, market launch, operations and exit of a lead Bank to take advantage of the opportunity presented:

New Company Start-up:

Establishment: The Bank and TechBank form a C Corporation (New Company), in which the Bank shall be a majority owner. TechBank shall infuse its proprietary technology, technical expertise, and business operations management. The Bank shall supply initial funding, financial service expertise and act as lead Bank for e-commerce services.

The New Company shall be headquartered in the Washington, DC Metropolitan area where it can take advantage of the mature telecommunications infrastructure, large population of Internet users, and high concentration of potential customers (Government and military personnel payroll).

Market Launch: The marketing program is to be initiated on all media venues (print, broadcast, electronic, out-door) and in conjunction with the Bank's MasterCard/VISA cards. Initial target market to be technology consumers, small businesses (start-ups), and Government and military personnel.

Operations: New Company provides ***SafetyCash*** system for holders of the Bank's credit cards. Additionally, for those who open a savings account at the Bank with automatic paycheck deposit, New Company provides electronic bill paying service at no cost to consumer.

The New Company shall derive revenues from a 2% of transaction fee from merchants who have goods and services purchased by online purchaser using the ***SafetyCash*** System. ***SafetyCash*** will use established credit card payment and transactional channels. No new technology will be necessary at the merchant end and merchant will pay no additional fees for use of ***SafetyCash*** (lowering cost of online transactions for merchant and allowing for low-end dollar purchases profit margin).

All proceeds from credit card interest revenue, loan securitization programs, and revenue derived from saving deposits shall remain with the Bank.

Internal cashflow of New Company will be utilized to introduce and commence operation of the ***DACC***, with the Bank to act as the lead Bank. Timeline for introduction of ***DACC***: Third Quarter of 2001.

New Company Start-up (establishment, market launch, operations): 120 Days

Potential Exit Strategy: New Company will be set for spinout and IPO within eighteen (18) months of commencing operations, economic conditions allowing. The Bank can cash-out, acquire in the whole, or sell.

Potential Follow-on Opportunity: New Company can develop into an electronic financial services company *(see page 5)*.

Initial Capital Requirements: Initially, New Company will be a majority owned subsidiary of the Bank, providing services for the Bank customers and creating additional revenue streams. The New Company requires an equity investment of $5.0 million with a loan commitment of $3.0 million (10% interest only, balloon in Year-5), for cashflow contingency in Year-1 and Year-2. Strategy for the Bank's exit and/or follow-on opportunity at the discretion of the Bank and regulatory constraints.

FOLLOW-ON OPPORTUNITY — ELECTRONIC BANKING

The increasing levels of commerce transacted on the Internet have promoted the development of electronic banking. Additionally, Internet banks are targeting small companies and technology start-ups, as they already exploit the web and have a higher level of comfort in its use. Internet Banks offer convenience for customers and allow for lower overhead costs which allows better rates on loans and deposits, attracting a larger target market.

Electronic Banking breaks down into two types:

1) **PC-Based Home Banking:** This requires PC-based financial service software (Microsoft's Money as an example), loaded on to the customers PC. Each product carries its own set of instructions that the customer must learn before commencing any banking transactions. Because the customers must connect with the financial institution via modem and download their account data, real-time transactions are not generally possible.

2) **Internet Banking:** This requires only a secure web browser access to the Internet and the financial institution. Internet requires no specific program or proprietary software and does not restrict the use of the service from specific locations. Account data remains on the secured database of the bank where it can be constantly monitored for security, accuracy and currency.

The Market

Recent reports by Jupiter Communications indicated the on-line banking households are estimated to grow to over 17 million by 2002. In regard to the small business market, it is estimated at over 20 million, with more than 80% using credit. Additionally, these small businesses are technology driven and are performing an ever-increasing amount of traditional operational functions over the web.

Utilizing Jupiter Communications demographics, the median age of Internet users is under 45 years old, with an annual income of over $60,000. The average Internet user is a college graduate and approximately 30% are in professional and management occupations.

For e-commerce transactions the market is growing ever larger. The Gartner Group estimates that on-line shopping will grow to over $300 billion by 2003, and that all financial transactions will have an economic valuation of over $1 trillion dollars by 2004.

Competition

There are currently only 20 Internet Banking operations currently in the US. The comparatively low number is due to the complexity of the regulatory environment for the banking industry and the capital requirements, which are difficult barriers of entry for most technology start-up companies.

The established commercial banks have been expanding into Internet banking and many now have some form of on-line service for its customers. However, traditional banks are at a competitive disadvantage as their established operational cost margins precludes them from offering customers the real advantages of Internet Banking.

The Opportunity

Traditional Banks with their branches, offices, and infrastructure do not have the lower operational costs which can be passed on to the customer in the form of additional services, higher interest rates on deposits, and lower loan costs. Additionally, the heavily regulated banking industry has restrictions in regard to banks operating outside its charter and in equity ownership of other banks and financial service companies.

With the establishment of the ***SafetyCash*** service, the New Company will have a fully functional Internet financial service infrastructure that can mature into a full service electronic bank. TechBank has developed a business model to explore this opportunity.

Appendix A:

This Appendix explains the accompanying Budgets and Financial Projections for SafetyCash Inc.

Start-up and Rollout Budget

Start-up expenditures for Year-1 are estimated at $878,000. This will include the computer mainframes and PC's necessary to handle all transactions involved with the service. Two mainframes are needed to ensure a firewall security from online transactions and as a backup. The Computer Software Expense is mainly the security system that will be embedded through the Company's Internet and Intranet connections. Although commercially off-the-shelf, it will be monitored by in-house staff and out-sourced contractors for maintenance, reliability and audit. The Telephone System will be installed to handle ramp-up and growth with a dedicated link rented from lead Bank. Base Office Rental representing approximately 41% of the start-up budget will allow for growth in the transaction staff, and ramp-up of DACC infrastructure. Company has allocated an additional $1.2 million contingency budget for outsource contracting to meet all electronic transaction needs to be used as necessary.

Personnel costs for the first full year of operations is estimated at $1.2 million. The total represents a full operational complement to be reached at end of Year-1. The Company has presently 6 core personnel to commence start-up, system integration and testing, and market launch and implementation. Additional operational staff will be hired as necessary. All base salaries are low by market standards, however capital structure designates approximately 16% of equity for staff.

Revenues and Earnings Projections

Revenue and earnings projections have been broken out to represent the two major revenue streams for the Company, which are the **SafetyCash** service and the ***DACC.***

Using the remainder of year 2000 for start-up and marketing rollout, the Company estimates that $200 million online transactions can be completed for 2001 (this could be greater if the Company is operational by the holiday season of 2000). The SafetyCash service will charge a flat discount fee of 2% on all transactions to the merchant. The merchant will pay no additional application or monthly fees for the service. As the service uses existing technology, no equipment or installation fee is needed. This strategy is specifically designed for market share capture and growth. Brand recognition and customer switching barriers are two key components of the Internet economy and the Company believes that this strategy will be a compelling cost saving and seamless transition for merchants.

The total online transactions will be billed to the consumer through the lead Bank's credit card and all revenue from these transactions except the discount fee remain with the lead Bank.

> **(A) Sales Projection for SafetyCash Service:** Using the 2% discount fee on the estimated $200 million in online transactions, the Company estimates gross revenue of $4 million from the SafetyCash service. After operational expenses, EBITDA is estimated at $1.43 million. Although no capital expenditures in the start-up year, the Company estimates approximately 2.5% of earnings in forward years. Using the market capture strategy, and coupled with lead Bank's own marketing leverage, the Company estimates transaction growth of 55% for Year-2 and leveling out to 35% for the remainder of the analysis period. Due to economies of scale and network connectivity, earnings margin grows from start-up in 2001 to 2005, at 36% and 74% respectively.

(B) Projected Sales for DACC: Ramp-up and marketing of the DACC will be accomplished concurrently with the SafetyCash service, however the establishment of proper distribution channels will necessitate a longer lead time for market penetration. Initial distribution centers will be bank branches, and check cashing establishments. Initial market niche will be those consumers who wish to limit exposure, have anonymous charge capability or, cannot obtain a credit card for lack of credit or age. Revenue derived from the DACC to the Company is a 3% discount on the face amount for the card. Operating costs, estimated at 35% of revenue are mainly in out-sourced fees and expenses associated with the DACC. The Company estimates that the operational cost directly to its overhead will be in the range of 5% as the technology, and operation is an overlap capability of the SafetyCash service system. The growth rates associated with the DACC are predicated on the growth of the "cashless" society and again based on the strategy of market capture in the early years vice maximum revenue generation. Once full acceptance and market share is stabilized, pricing and discount will be modified to fit the economic realities.

(C) Cashflow: Using the projections in the preceding proformas and adding interest on the debt (if needed and described below), the Company estimates a loss of $890 thousand in 2001and a positive cashflow of over $3 million in 2002.

Investment and ROI Projections

Investment and ROI projections are constructed from the requirements for start-up and operational infrastructure necessary for rapid growth in response to opportunities for revenue generation. Pre-money valuation of Company is approximately $8.5 million. The Company seeks an equity infusion of $5 million for a 60% ownership of the Company and a loan commitment of an additional $3 million to be used as a cashflow contingency for the first two years. This Chart (Investment and ROI Projections) and following Chart, Burn Rate for Year One Operations is constructed in a no-revenue, "worst-case" scenario.

TechBank uses this scenario and constructed the deal structure for several specific reasons. First, to meet the capital requirements necessary for success. Second, based on TechBank's experience in operational management of business enterprises and investor return expectations. Third, the necessity in this instance to the regulatory requirement for the Company to be a subsidiary of the investor. And finally, to allow for a risk mitigation for the investment. The loan commitment is the Bank's conversion factor for the other 40% of the Company and if extended to the Company but unpaid, allows the Bank to take full control.

(A) Projected Returns: Using the preceding proformas and revenue projection for the analysis period (2001 to 2005) total earnings for the SafetyCash service and the sale of the DACC is estimated at $29.2 million and $58.8 million respectively, for a total of $88 million. Utilizing the capital structure and adding loan proceeds with a capitalization rate of 12.5%, net present value (NPV) of the investment is in the range of $22.4 million. This would equate to an ROI in excess of 260% for the equity investment.

(B) Investment Commitment and Draw Schedule: This table is a summary of the deal structure and enumerates the interest on the loan (10%); the amount of the note commitment ($3 million), and; the equity investment ($5 million). The second part of the table displays the total infusion and commitment ($8 million) and the burn rate (as displayed in the next chart) for the first year of operations ($4.3 million). The surplus indicates that the Company, without revenues, would be liquid without drawing down on the loan commitment.

(C) Capital Structure and IPO Value: The Company capital structure will be a C corporation with 10 million shares authorized and issued. The total projected net proceeds per share are in the range of $8.80 over the analysis period. In the Initial Public Offering (IPO) projection, Year-4

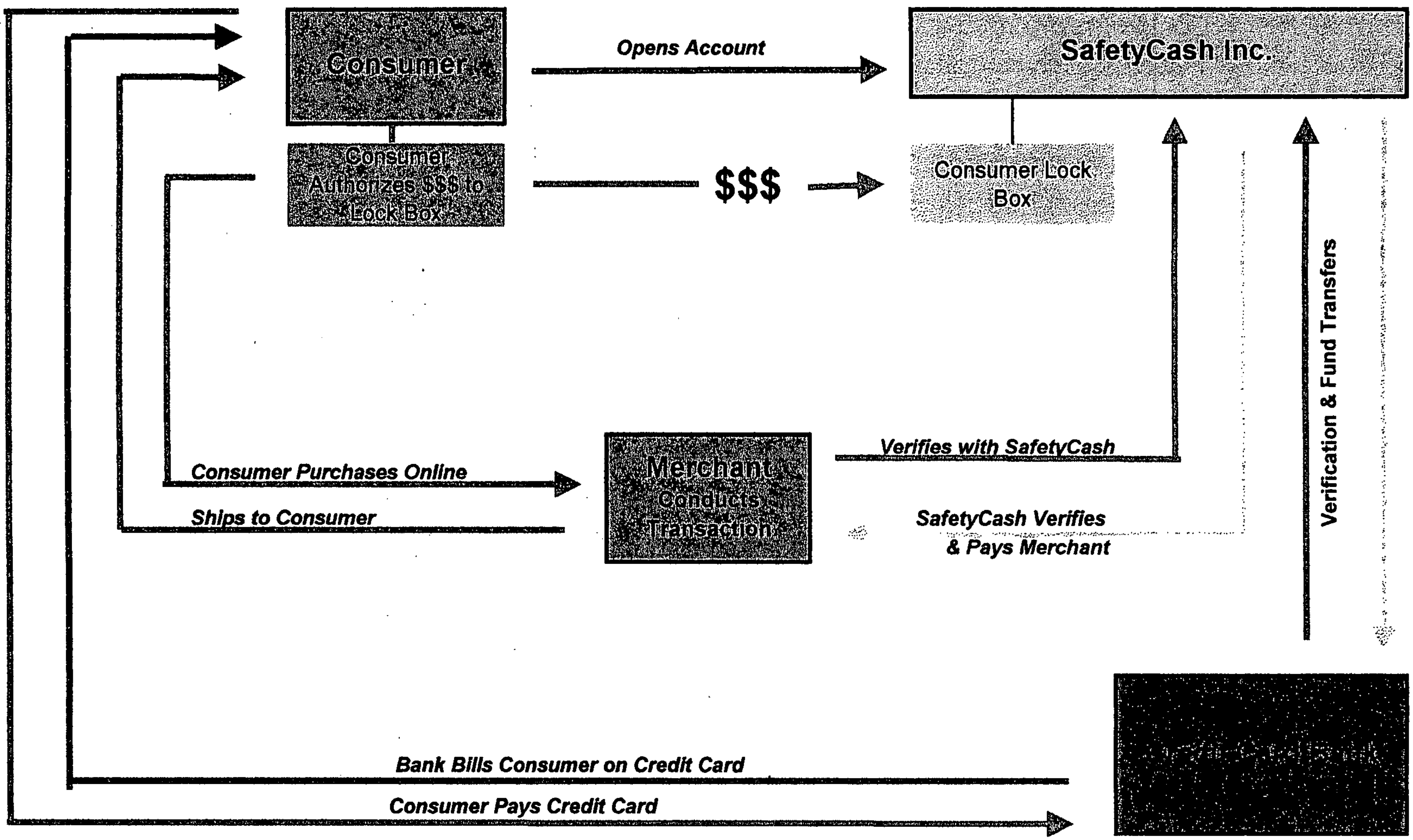
of the Company is used to allow full operational maturity and consistent earnings to calculate at a conservative offer price of 30 times earnings. Value in the range of $503 million allows for base acquisition price as an alternative exit strategy.

Burn Rate for Year One Operations

(A) The First Year Budget breaks out the cashflow requirements and base expenses for the first year of operations. Although self-explanatory it should be noted that the Outsource Contracts line of $1.2 million is not included in the monthly burn rate but rather added to the total burn rate in the Investment Commitment and Draw Schedule (B) of the Investment and ROI Projections Chart. Due to the nature, final cost and timing of this expense, no monthly projection is made. Total operational expenses in Year-1 is estimated at $2.5 million.

(B) Burn Rate of Capital displays the cashflow management for the Company based on two scenarios. In the top half, a draw down of $1 million is made on the loan commitment at the beginning of Year-1. This leaves the Company with a positive cashflow of approximately $2.61 million at the end of the year. In the bottom half of the table, a loan commitment draw down of $1.5 million is made over the course of the year with accompanying quarterly interest charges on the note. This scenario allows for an examination of the impact of the interest charges on cashflow and allows for an estimation of the debt service factor. This portion is also used for the Revenue and Earnings Projections of Chart 2.

SafetyCash Online Payment Process



SafetyCash

START-UP AND ROLL OUT BUDGET

START-UP CAPITAL EXPENDITURES and PERSONNEL COSTS

OFFICE EQUIPMENT	Cost	Number	Budget
BASE OFFICE RENTAL (per sq ft)	$2.50	12,000	$360,000
Computers (Mainframes)	$35,000	2	$70,000
Computer Software (system)	$55,000	1	$55,000
Computer System for Office (PC/Software)	$4,500	20	$90,000
Computer Additionals	$13,700	1	$13,700
Website Construction	$18,000	1	$18,000
Telephones System (T1)	$18,000	1	$18,000
Printers and Fax machines	$3,500	4	$14,000
Security Files cabinets	$450	8	$3,600
Printing and Promotion	$150,500		$150,500
Office/ Conference Furnishing	$65,000		$65,000
Office Supplies	$15,000		$15,000
Construction cost on Build-out	$30,000	TI to Pay	$5,000
TOTAL OFFICE AND ADMINISTRATIVE COSTS	-		**$877,800**

PERSONNEL COSTS	Base	Benefit/Tx	Number	BUDGET
CEO	$75,000	15%	1	$86,250
VP MARKETING AND IR	$75,000	15%	1	$86,250
CHIEF TECHNICAL OFFICER	$90,000	15%	1	$103,500
COMPTROLLER	$65,000	15%	1	$74,750
TECHNICAL OPERATIONS STAFF	$80,000	15%	2	$184,000
DIRECTOR: MARKETING & SALES	$50,000	15%	2	$115,000
TECHNICAL ASSISTANCE STAFF	$50,000	15%	3	$172,500
SALES & FINANCING STAFF	$45,000	15%	4	$207,000
ADMINISTRATIVE ASSISTANT STAFF	$40,000	15%	4	$184,000
TOTAL PERSONNEL COSTS	**$570,000**		**19**	**$1,213,250**

Prepared by:
WH Wisecarver

SafetyCash

REVENUES AND EARNINGS PROJECTIONS

SALES PROJECTION FOR SAFETY CASH SERVICE		2001	2002	2003	2004	2005
SALES (Credit Card sales to Lead Bank)		$200,000,000	$310,000,000	$418,500,000	$564,975,000	$762,716,250
Gross on Sales to New Company (2% on transactions)		$4,000,000	$6,200,000	$8,370,000	$11,299,500	$15,254,325
Labor		(1,213,250)	(1,249,648)	(1,349,619)	(1,430,596)	(1,473,514)
G&A		(1,350,000)	(1,417,500)	(1,630,125)	(1,874,644)	(2,155,840)
EARNINGS		**$1,436,750**	**$3,532,853**	**$5,390,256**	**$7,994,260**	**$11,624,970**
CAPITAL EXPENDITURES	2.5%	0	(88,321)	(134,756)	(199,856)	(290,624)
WORKING CAPITAL		**$1,436,750**	**$3,444,531**	**$5,255,499**	**$7,794,403**	**$11,334,346**
EARNINGS MARGIN		36%	56%	63%	69%	74%

PROJECTED SALES FOR DACC:		2001	2002	2003	2004	2005
Cards Sold		500,000	1,550,000	5,502,500	7,428,375	11,513,981
Total Value per cards sold (@ Average per Card)	$100	**$50,000,000**	**$155,000,000**	**$550,250,000**	**$742,837,500**	**$1,151,398,125**
Revenue from Sales (@ percentage charge)	3%	$1,500,000	$4,650,000	$16,507,500	$22,285,125	$34,541,944
COGS	10%	(150,000)	(450,000)	(1,350,000)	(4,050,000)	(12,150,000)
LABOR	25%	(375,000)	(431,250)	(495,938)	(570,328)	(655,877)
EARNINGS		**$975,000**	**$3,768,750**	**$14,661,563**	**$17,664,797**	**$21,736,066**
CAPITAL EXPENDITURES	2.5%	($24,375)	($94,219)	($366,539)	($441,620)	($543,402)
WORKING CAPITAL		**$950,625**	**$3,674,531**	**$14,295,023**	**$17,223,177**	**$21,192,665**

CASHFLOW	2001	2002	2003	2004	2005
TOTAL REVENUE TO SAFETYCASH INC.	**$2,387,375**	**$7,119,062**	**$19,550,523**	**$25,017,580**	**$32,527,011**
COGS	(1,540,500)	(1,910,025)	(3,029,029)	(5,980,883)	(14,370,516)
LABOR	(1,624,648)	(1,718,387)	(1,886,045)	(2,043,842)	(2,173,597)
INTEREST ON THE NOTE	(112,500)	(225,000)	(225,000)	(225,000)	(225,000)
CASHFLOW	**($890,273)**	**$3,265,651**	**$14,410,449**	**$16,767,855**	**$15,757,898**

Prepared by:
WH Wisecarver

SafetyCash

INVESTMENT AND ROI PROJECTIONS

EARNINGS	Safety Cash	$29,265,530	PROJECTED EARNINGS:	$88,071,706
	DACC	$58,806,176	CAPITALIZATION RATE (12.5%)	
TOTAL ESTIMATED EARNINGS		**$88,071,706**	EQUITY INVESTMENT	($5,000,000)
			LOAN PROCEEDS ON 2 YEAR LOAN DRAW	$1,012,500
INVESTMENT COMMITMENT REQUIRED	**EQUITY**	**$5,000,000**		
	DEBT	**$3,000,000**	NPV OF EARNINGS AND LOAN PROCEEDS	$44,326,852

INVESTMENT COMMITMENT AND DRAW SCHEDULE			TOTAL
NOTE RATE OF RETURN	**10%**	COMMITMENT	**$8,000,000**
NOTE AMOUNT	**$3,000,000**	BURN RATE FOR YEAR 1	**($4,341,997)**
EQUITY CAPITAL CONTRIBUTION	**$5,000,000**	SURPLUS (SHORTFALL)	**$3,658,003**

CAPITAL STRUCTURE AND SHARE VALUE 2001 TO 2005		IPO PROJECTED VALUE IN YEAR 4 OF OPERATION				
INCORPORATED SHARES	10,000,000	**P/E**	**TOTAL VALUE**	**Economic Value at Ownership of Shares**		
NET PROCEEDS per SHR (PROJECTED)	$8.81	30	$503,035,641	**40%**	**$201,214,257**	
				60%	**$301,821,385**	

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WH Wisecarver

SafetyCash

BURN RATE FOR YEAR-1 OPERATIONS

FIRST YEAR BUDGET	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual	Actual
Actual months expenses	0	0	0	0	0	0	0	0	0	0	0	0
OPERATIONAL EXPENSES	1	2	3	4	5	6	7	8	9	10	11	12
OUTSOURCE CONTRACTS	($1,200,000)											
PHONE (Equip & Service)	($4,500)	($4,500)	($4,635)	($4,774)	($4,917)	($5,065)	($5,217)	($5,373)	($5,373)	($5,373)	($5,373)	($5,373)
INTERNET, WEB HOST & SOFTWARE	($3,500)	($3,500)	($3,500)	($3,605)	($3,605)	($3,713)	($3,713)	($3,825)	($3,825)	($3,825)	($3,825)	($3,825)
MISC. OFFICE SUPPLIES	($1,250)	($1,250)	($850)	($876)	($876)	($902)	($902)	($929)	($929)	($929)	($929)	($929)
OFFICE EQUIPMENT CHARGE	($417)	($417)	($417)	($417)	($417)	($417)	($417)	($417)	($417)	($417)	($417)	($417)
OFFICE RENTAL	($30,000)	($30,000)	($30,000)	($30,000)	($30,000)	($30,000)	($30,000)	($30,000)	($30,000)	($30,000)	($30,000)	($30,000)
LEGAL SERVICES	($13,667)	($13,667)	($13,667)	($5,467)	($5,467)	($5,467)	($5,467)	($5,467)	($5,467)	($5,467)	($13,667)	($13,667)
INSURANCE ALLOCATION	($8,500)	($8,500)	($8,500)	($8,500)	($8,500)	($8,500)	($8,500)	($8,500)	($8,500)	($8,500)	($8,500)	($8,500)
AUDIT/ TAX PLANNING	($1,250)	($1,250)	($750)	($750)	($750)	($750)	($750)	($750)	($750)	($1,450)	($1,450)	($1,450)
PROMOTION	($45,000)	($45,000)	($45,000)	($35,000)	($35,000)	($35,000)	($35,000)	($35,000)	($35,000)	($35,000)	($35,000)	($35,000)
TRAVEL	($10,000)	($10,200)	($10,200)	($10,200)	($10,200)	($10,200)	($10,200)	($10,200)	($10,200)	($10,200)	($10,200)	($10,200)
MONTHLY COSTS	($118,083)	($118,283)	($117,518)	($99,588)	($99,731)	($100,013)	($100,165)	($100,460)	($100,460)	($101,160)	($109,360)	($109,360)
PERSONNEL EXPENSES												
SALARIES	($101,104.17)	($101,104)	($101,104)	($101,104)	($101,104)	($101,104)	($101,104)	($101,104)	($101,104)	($101,104)	($101,104)	($101,104)
DISABILITY INS. & PAYROLL SERVICES	($2,022)	($2,022)	($2,022)	($2,022)	($2,022)	($2,022)	($2,022)	($2,022)	($2,022)	($2,022)	($2,022)	($2,022)
	($103,126)	($103,126)	($103,126)	($103,126)	($103,126)	($103,126)	($103,126)	($103,126)	($103,126)	($103,126)	($103,126)	($103,126)
ESTIMATED MONTHLY EXP	($221,210)	($221,410)	($220,645)	($202,714)	($202,857)	($203,139)	($203,291)	($203,586)	($203,586)	($204,286)	($212,486)	($212,486)
ESTIMATED TOTAL MONTHLY YTD		($442,619)	($663,264)	($865,978)	($1,068,835)	($1,271,975)	($1,475,266)	($1,678,852)	($1,882,438)	($2,086,724)	($2,299,210)	($2,511,697)

BURN RATE OF CAPITAL (Est.)	1	2	3	4	5	6	7	8	9	10	11	12
Capital remaining:	$5,122,200	$4,900,990	$4,679,581	$4,458,936	$4,256,222	$4,053,365	$3,850,225	$3,646,934	$3,443,348	$3,239,762	$3,035,476	$2,822,990
LESS: MONTHLY COSTS	($221,210)	($221,410)	($220,645)	($202,714)	($202,857)	($203,139)	($203,291)	($203,586)	($203,586)	($204,286)	($212,486)	($212,486)
CAPITAL EXPENDITURES AND LOAN DRAW w/o REVENUE												
Capital remaining after Start-up Complete:	$5,122,200	$5,900,990	$5,679,581	$5,433,936	$5,231,222	$5,028,365	$5,050,225	$4,846,934	$4,643,348	$4,439,762	$4,235,476	$4,022,990
LESS: MONTHLY COSTS	($221,210)	($221,410)	($220,645)	($202,714)	($202,857)	($203,139)	($203,291)	($203,586)	($203,586)	($204,286)	($212,486)	($212,486)
Interest due on the note	$0	$0	($25,000)	$0	$0	($25,000)	$0	$0	($31,250)	$0	$0	($31,250)
Next Capital Call (Loan and Equity draw)	$1,000,000	$0	$0	$0	$0	$250,000	$0	$0	$0	$0	$0	$250,000
Funds with draw and interest payments	$5,900,990	$5,679,581	$5,433,936	$5,231,222	$5,028,365	$5,050,225	$4,846,934	$4,643,348	$4,439,762	$4,235,476	$4,022,990	$4,060,503

CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT

This CONFIDENTIALITY AND NON-DISCLOSURE AGREEMENT (this "<u>Agreement</u>") is made this _____, day of September, 2000, between Sacon Capital, Inc. d/b/a TechBank ("TechBank") and [Investor].

Whereas, [Investor] and TechBank are interested in exploring a possible transaction regarding SafetyCash (the "<u>Transaction</u>");

Whereas [Investor] has requested certain non-public, highly confidential information concerning TechBank and SafetyCash; and

Whereas, TechBank has agreed to provide [Investor] with this information.

In consideration of promises contained in this Agreement, and intending to be legally bound hereby, the parties agree as follows:

1. <u>Evaluation Material</u>.

1.1 "Evaluation Material" shall mean any and all records, documents, information, ideas, concepts, business methods, computer code, or data, whether oral, written, electronic or otherwise, furnished by TechBank to [Investor] or the [Investor]'s Representatives, either before or after the date of this Agreement relating to TechBank or SafetyCash, together with analyses, compilations, studies, summaries, extracts or other documents or records prepared by [Investor] or [Investor]'s Representatives that contain, otherwise reflect, or are generated from such records, documents, ideas, concepts, business methods, information, computer code or data provided.

1.2 Evaluation Material does not include any information that at the time of disclosure to the Investor (a) is generally available to and known by the public (other than as a result of a disclosure by [Investor] or any of its Representatives), or (b) was available to [Investor] on a non-confidential basis from a source that is not and was not prohibited from disclosing such information to [Investor] by a contractual, legal or fiduciary obligation.

2. <u>Treatment of Evaluation Material</u>.

2.1 Without the prior written consent of TechBank, [Investor] and its Representatives shall not disclose to any person or entity any Evaluation Material in any form for the Term of this Agreement and two years thereafter. [Investor] shall keep the Evaluation Material confidential except as permitted by this Agreement, and shall treat the Evaluation Material with an appropriate degree of care which shall be at least the same level of care it provides to its own confidential information. TechBank shall retain all right, title and interest in the Evaluation Material.

2.2 [Investor] shall use the Evaluation Material solely for the purpose of evaluating the Transaction, and shall not use, or allow the use by any of [Investor]'s Representatives or affiliates, any portion of the Evaluation Materials for any other purpose. [Investor] may disclose the Evaluation Material only to (a) those [Investor]'s directors, officers and employees, and (b) representatives of [Investor]'s consultants and advisors (collectively, the "<u>Representatives</u>"), who need to know such information to evaluate the Transaction and who agree to be bound by this Agreement as if they were parties thereto.

2.3 If [Investor] or any of its Representatives are required by deposition, interrogatory, request for documents, subpoena, civil investigative demand or similar process to disclose any of the Evaluation

Material, [Investor] shall provide TechBank with written notice of such requirement no less than ten (10) business days prior to disclosing any Evaluation Material.

3. No Definitive Agreement. Nothing in this Agreement shall be construed to obligate any party to continue any discussions or business relationships. Nothing in this Agreement shall imply any partnership or joint venture among the parties or to be construed as making any party the agent of the party.

4. Injunctive Relief; Arbitration. [Investor] agrees that the Evaluation Material is a unique and special asset of TechBank that has substantial commercial value, and that any breach of this Agreement would cause both irreparable harm and substantial commercial harm to TechBank.

4.1 In the event of any breach of the provisions of this Agreement such that, in TechBank's sole discretion, money damages would not be a sufficient remedy, TechBank shall be entitled to equitable relief, in addition to all other remedies available to TechBank at law or in equity.

4.2 Other than claims for equitable relief pursuant to paragraph 4.1, any claim, controversy or dispute between or among the parties, ("Dispute") shall be resolved by arbitration conducted by a single arbitrator engaged in the practice of law, under the then-current rules of the American Arbitration Association ("AAA"). The arbitrator shall have the authority to award damages. The arbitrator's award shall be final and binding and may be entered in any court having jurisdiction. The laws of the Commonwealth of Virginia, excluding its choice of law principles, shall govern the arbitration which shall occur in Washington, D.C.

5. Entire Agreement. This Agreement constitutes the entire Agreement between the parties hereto regarding the Evaluation Material, and supersedes all oral and written agreements, either entered prior to or contemporaneously with this Agreement, concerning the Evaluation Material. This Agreement may not be modified except by written agreement signed by both parties.

6. Miscellaneous.

6.1 No Waiver. No failure or delay by TechBank in exercising any right, power or privilege hereunder will operate as a waiver thereof, nor will any single or partial exercise thereof preclude any other or further exercise thereof or the exercise of any other right, power or privilege hereunder.

6.2 Counterparts. This Agreement may be executed in one or more counterparts, each of which shall be deemed an original, and all of which, when taken together, shall constitute one and the same instrument. The parties hereto confirm that any facsimile copy or another party's executed counterpart of this Agreement (or its signature page thereof) will be deemed to be an executed original thereof.

6.3 Assignment. [Investor] may not assign or transfer any rights or obligations under this Agreement without the prior written consent of TechBank.

6.4 Interpretation. In construing the terms of this Agreement, no presumption shall operate in either party's favor as a result of its counsel's role in drafting the terms or provisions hereof.

6.5 Severability. If any provision of this Agreement shall be held by a court of competent jurisdiction to be unenforceable, the remaining provisions shall remain in full force and effect.

6.6 Choice of Law. This Agreement shall be governed by and construed in accordance with the laws of the Commonwealth of Virginia, without giving effect to its conflicts of law principles.

6.7 Term. This Agreement shall remain in force for one year from the date of execution.

IN WITNESS WHEREOF, each party has caused this Agreement to be executed on its behalf by a duly authorized officer all as of the date set forth above.

SACON CAPITAL, INC. D/B/A TECHBANK

By: ______________________
Name:
Title

[Investor]

By: ______________________
Name:
Title

EXHIBIT E

From: tjones@net2000.com <tjones@net2000.com>
To: wwisecarver@techbank.net <wwisecarver@techbank.net>
Date: Saturday, July 22, 2000 4:06 PM
Subject: Data Pricing

Bill,

I'm sorry this took so long. Here's the skinny:

	Monthly	Install
1.544Mbps from 703-841 to 302-453	$1312.53	$650.00

First Quarter	50K transactions	512kbps	$1045.85	$905.00
Second Quarter	75K transcations	768kbps	$1175.85	$905.00
Year and Half	1.5M transactions	1.544Mbps	$1445.85	$904.00

It would probably be in your best interest to begin with either the 768k or 1.544M Internet option. Let's discuss on Monday. Have a great weekend.

Tarnetta V. Jones
Account Manager
Net2000 Communications
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Herndon, VA 20171
(v)703.654.2716
(f)703.561.5659
(c) 202.262.0331
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